



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
[www.uspto.gov](http://www.uspto.gov)

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/645,794	08/24/2000	Robert Wallach	4090-4002	3551

7590 07/01/2003

Walter G Hanchuk  
Morgan & Finnegan LLP  
345 Park Avenue  
New York, NY 10154

[REDACTED] EXAMINER

FRENEL, VANEL

ART UNIT	PAPER NUMBER
3626	

DATE MAILED: 07/01/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	Application No.	Applicant(s)
	09/645,794	WALLACH ET AL.
	Examiner Vanel Frenel	Art Unit 3626

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

**A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.**

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.

- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.

- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.

- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).

- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

1) Responsive to communication(s) filed on 08/24/03.

2a) This action is FINAL.                    2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

4) Claim(s) 1-11 is/are pending in the application.

4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

5) Claim(s) \_\_\_\_\_ is/are allowed.

6) Claim(s) 1-11 is/are rejected.

7) Claim(s) \_\_\_\_\_ is/are objected to.

8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11) The proposed drawing correction filed on \_\_\_\_\_ is: a) approved b) disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.

12) The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

13) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) All b) Some \* c) None of:  
1. Certified copies of the priority documents have been received.  
2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.

14) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).  
a) The translation of the foreign language provisional application has been received.

15) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____ .
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ .	6) <input type="checkbox"/> Other: _____

## DETAILED ACTION

### ***Notice to Applicant***

1. This communication is in response to the application filed 08/24/00. Claims 1-11 are pending.

### ***Claim Rejections - 35 USC § 101***

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1-11 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basic of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technology arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technology arts. More ideas, in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts to promote the “progress science and the useful arts” (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts. Looking at the claims 1-11 as a whole, nothing in the body of the claims recite any structure or functionality to suggest that a computer performs the recited steps.

Examiner respectfully requests a common usage such as "a computer readable-medium" or a "computer system" are well taken to be within the statutory categories within 35 U.S.C. 101 and therefore recommends using such terminologies.

As such, the above deficiencies may be cured by simply explicitly reciting that the claimed method/process steps are embodied or implemented on a "computer system" or on a "computer readable medium" (as appropriate), provided Applicant show proper support for such recitations in the originally filed specification.

***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Joao (6,347,302) in view of Borghesi et al (5,950169).

(A) As per claim 1, Joao discloses a method for billing a flat, recurring charge to a buyer for financing and insurance after a sale of an item, comprising:

receiving a first indication of a sale or lease of an item to a buyer (Col.10, lines 58-67 to Col.11, line 60); receiving a second indication of an insurance premium and a financial balance owed by the buyer corresponding to the sale or lease (Col.10, lines 58-67 to Col.11, line 60);

receiving a third indication of a predetermined time in which the financial balance is to be paid (Col.1, lines 6-65).

Joao does not explicitly disclose calculating a periodic recurring amount based on the insurance premium, the financial balance and the predetermined time; and receiving, from the buyer, a single payment corresponding to the periodic recurring amount within the predetermined time.

However, these features are known in the art, as evidenced by Borghesi. In particular, Borghesi suggests calculating a periodic recurring amount based on the insurance premium, the financial balance and the predetermined time; and receiving, from the buyer, a single payment corresponding to the periodic recurring amount within the predetermined time (Col.15, lines 8-67 to Col.16, line 65).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the features of Borghesi within the system of Joao with the motivation of processing insurance claims in a predefined workflow for accommodation in the insurance industry (Col.1, lines 33-35 of Borghesi).

(B) As per claim 2, Joao discloses the method wherein the predetermined time is based on a length of a loan for the financial balance owed by the buyer (Col.3, lines 56-67 to Col.4, line 39).

(C) As per claim 3, Joao discloses the method of wherein the predetermined time is based on a length of a lease for the item (Col.1, lines 6-67 to Col.2, line 5).

(D) As per claim 4, Borghesi discloses the method wherein the predetermined time is greater than one year (The Examiner interprets "the event log, which is attached to the datafile, preferably automatically puts a time and date stamp on certain predetermined tasks or activities as a form of the predetermined time is greater than one year See Borghesi, Col.15, lines 8-38).

(E) As per claim 5, Borghesi discloses the method wherein the item is an automobile (Col.9, lines 57-67 to Col.10, line 28).

The combination for combining the respective teachings of Joao and Borghesi are as discussed above in the rejection of claim 1, and incorporated herein.

(F) As per claim 6, Joao discloses the method wherein the periodic, recurring amount is charged monthly (Col.2, lines 58-67).

(G) As per claim 7, Joao discloses the method further comprising:  
receiving a fourth indication of an interest rate to be applied to at least one of the financial balance and the insurance premium (Col.10, lines 58-67 to Col.11, line 60), wherein said calculating further calculating the periodic recurring amount further based on the interest rate (Col.13, lines 44-67 to Col.14, line 48).

(H) As per claim 8, Joao discloses a method for billing a flat, recurring amount to a buyer covering financing and insurance after a sale of an item, comprising:

receiving a first indication of a sale or lease of an item to a buyer, a financial balance owed for the item and a predetermined time in which the financial balance is to be paid (Col.10, lines 58-67 to Col.11, line 60);

receiving a second indication of an insurance premium owed for an insurance policy covering the item for at least a portion of the predetermined time (Col.10, lines 58-67 to Col.11, line 60); paying the insurance premium on behalf of the buyer (Col.14, lines 38-67).

Joao does not explicitly disclose calculating a periodic recurring amount for at least a portion of the predetermined time, the periodic recurring amount including a first amount corresponding to the financial balance and a second amount corresponding to the insurance premium; and receiving, from the buyer, a payment corresponding to the periodic recurring amount within the predetermined time.

However, these features are known in the art, as evidenced by Borghesi. In particular, Borghesi suggests calculating a periodic recurring amount for at least a portion of the predetermined time, the periodic recurring amount including a first amount corresponding to the financial balance and a second amount corresponding to the insurance premium; and receiving, from the buyer, a payment corresponding to the periodic recurring amount within the predetermined time (Col.15, lines 8-67 to Col.16, line 65).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the features of Borghesi within the system of Joao with the

motivation of processing insurance claims in a predefined workflow for accommodation in the insurance industry (Col.1, lines 33-35 of Borghesi).

(I) As per claim 9, Joao discloses a method for promoting the sale of an item, comprising:

providing a first indication of an item for sale or lease (Col.10, lines 58-67 to Col.11, line 60);

providing a second indication of a predetermined time to pay a financial balance corresponding to the item (Col.10, lines 58-67 to Col.11, line 60); and

providing a third indication of an offer to charge a periodic recurring amount corresponding to a first payment of an insurance premium and a second payment (Col.8, lines 12-67).

Joao does not explicitly disclose a financing amount corresponding to the item, the insurance premium corresponding to an insurance policy covering the item, the periodic payment to recur for at least a portion of the predetermined time.

However, these features are known in the art, as evidenced by Borghesi. In particular, Borghesi suggests a financing amount corresponding to the item, the insurance premium corresponding to an insurance policy covering the item, the periodic payment to recur for at least a portion of the predetermined time (Col.15, lines 8-67 to Col.16, line 65).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the features of Borghesi within the system of Joao with the

motivation of processing insurance claims in a predefined workflow for accommodation in the insurance industry (Col.1, lines 33-35 of Borghesi).

(J) As per claim 10, Joao discloses a method for receiving an insurance premium for an insurance policy covering an item, comprising:

receiving a first indication of an item to be covered under an insurance policy (Col.10, lines 58-67 to Col.11, line 60);

receiving a second indication of a buyer of the item (Col.10, lines 58-67 to Col.11, line 60);

receiving a third indication of a predetermined time in which the buyer must pay a financial balance corresponding to the item, the financial balance corresponding to a loan amount or a lease amount (Col.8, lines 12-67).

Joao does not disclose calculating an insurance premium for the entire predetermined time based on the item and the buyer; and receiving, from a party other than the buyer, a payment of the insurance.

However, these features are known in the art, as evidenced by Borghesi. In particular, Borghesi suggests calculating an insurance premium for the entire predetermined time based on the item and the buyer; and receiving, from a party other than the buyer, a payment of the insurance (Col.15, lines 8-67 to Col.16, line 65).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the features of Borghesi within the system of Joao with the

Art Unit: 3626

motivation of processing insurance claims in a predefined workflow for accommodation in the insurance industry (Col.1, lines 33-35 of Borghesi).

6. Claim 11 is rejected under 35 U.S.C. 103(a) as being unpatentable over Joao (6,347,302) in view of Ryan et al (6,304,859).

(A) As per claim 11, Joao discloses buying an item from a retailer, the item having a corresponding finance amount and an insurance premium amount (Col.6, lines 34-67; Col.10, lines 10-65).

Joao does not explicitly disclose a method for simultaneously paying a financial loan and insurance corresponding to an item;

the finance amount corresponding to a loan payment or a lease payment and payable over a predetermined time, the insurance premium amount corresponding to an insurance policy having a term equal to the predetermined time; and

submitting a payment corresponding to the recurring amount for at least a portion of the finance amount and a portion of the insurance premium amount within the predetermined time.

However, these features are known in the art, as evidenced by Ryan. In particular, Ryan suggests a method for simultaneously paying a financial loan and insurance corresponding to an item (Col.4, lines 21-67; Col.6, lines 40-67)

the finance amount corresponding to a loan payment or a lease payment and payable over a predetermined time, the insurance premium amount corresponding to an

insurance policy having a term equal to the predetermined time (Col.4, lines 21-67; Col.6, lines 40-67); and

submitting a payment corresponding to the recurring amount for at least a portion of the finance amount and a portion of the insurance premium amount within the predetermined time (Col.4, lines 21-67; Col.6, lines 40-67).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the features of Ryan within the system of Joao with the motivation of providing a system performing three processes which ideally occur simultaneously, namely, 1) optimal premium determination, 2) current cash value monitoring, and 3) periodic reporting (See Ryan, Col.5, lines 16-19).

### ***Conclusion***

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. The cited but not applied prior art teaches system and method for analyzing and originating a contractual option arrangement for a bank deposits liabilities base (6,363,360), motor vehicle monitoring system for determining a cost of insurance (5,797,134), insurance verification system and method (6,233,563) and method and apparatus for internet on-line insurance policy service (2002/0116228).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Vanel Frenel whose telephone number is 703-305-4952. The examiner can normally be reached on 6:00am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached on 703-305-9643. The fax phone

Art Unit: 3626

numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

V.F  
V.F  
June 16, 2003

  
JOSEPH THOMAS  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600